New INDIVIDUALIST Review

CAPITALISM AND FREEDOM

MILTON FRIEDMAN

POLITICS AND THE MORAL ORDER

JOHN P. McCARTHY

MODERN EDUCATION vs. DEMOCRACY

ROBERT SCHUETTINGER

HAYEK'S CONCEPT OF FREEDOM: A CRITIQUE

RONALD HAMOWY

APRIL 1961 | 25 cents | Vol. 1 No. 1

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

for the advancement of conservative thought on the campus

Founded 1953

". . . Much of the stir on the campus is due to a mushrooming national organization called the Intercollegiate Society of Individualists . . . ISI puts some remarkably high grade material into the hands of students through "The Individualist," a news-letter publication . . . "

—Wall Street Journal

" . . . There is a growing undercurrent of conservative conviction among students . . . and there emerges the Intercollegiate Society of Individualists with a firm foothold in both the East and the Midwest . . . "

—St. Petersburg Independent

" . . . Today, America's 'angry young men' seem to be angry at a system which does TOO MUCH for the individual and does not allow him to do enough for himself . . . The principal spark plug of this revolt has been the Intercollegiate Society of Individualists . . . "

—American Economic Foundation

" . . . (The) Intercollegiate Society of Individualists, founded in 1953 to combat campus socialists, now has a national mailing list of 12,000 confirmed conservatives for its literate newsletter ,the INDIVIDUALIST . . . "

—Time

" . . . The spearhead of this 'new radicalism' is an organization known as the Intercollegiate Society of Individualists, which for seven years has preached the philosophy of freedom on college campuses . . . it will take the continuing effort of its adherents to demonstrate that the object of conservatism is solely to extend the area of individual freedom and arrest the spread of socialism. The ISI offers an outstanding example of how the job is done . . . "

—The Arizona Republic

INTERCOLLEGIATE SOCIETY OF INDIVIDUALISTS, INC.

National Headquarters: 410 LAFAYETTE BUILDING, PHILADELPHIA 6
WAlnut 5-5632

Midwest Office: 1014 LEMCKE BUILDING, INDIANAPOLIS 4
MElrose 9-5551

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

NEW INDIVIDUALIST REVIEW

Volume 1 — Number 1
APRIL 1961

Editorial 2

Capitalism and Freedom
Milton Friedman 3

Politics and the Moral Order
John P. McCarthy 11

The Next Four Years: An Appraisal
John Weicher 15

Wilhelm von Humboldt
Ralph Raico 18

Modern Education vs. Democracy
Robert Schuettinger 23

Hayek's Concept of Freedom: A Critique
Ronald Hamowy 28

New Books and Articles 31

EDITORIAL BOARD

Editor-in-chief:
Ralph Raico

Associate Editors:
John P. McCarthy
Robert Schuettinger
John Weicher

Book Review Editor:
Ronald Hamowy

EDITORIAL ADVISORS

MILTON FRIEDMAN
Professor of Economics
University of Chicago

F. A. HAYEK
Professor of Social and Moral Science
University of Chicago

RICHARD M. WEAVER
Professor of English
University of Chicago

NEW INDIVIDUALIST REVIEW is published bimonthly (February, April, June, October, December) by the University of Chicago chapter of the Intercollegiate Society of Individualists, P.O. Box 4309, Chicago 80, Ill. Second Class mailing permit pending at the Chicago, Ill., post office.

Advertising and subscription correspondence should be sent to NEW INDIVIDUALIST REVIEW, P.O. Box 4309, Chicago 80, Ill. Editorial correspondence and manuscripts should be sent to NEW INDIVIDUALIST REVIEW, 7326 South Kingston Ave., Chicago 49, Ill. All manuscripts become the property of NEW INDIVIDUALIST REVIEW.

Subscription Rates: $2.00 per year (students, $1.00). Add $1.00 for foreign subscriptions.

Copyright 1961 by NEW INDIVIDUALIST REVIEW, Chicago, Illinois

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

An Editorial . . .

The **New Individualist Review** has been founded in a commitment to human liberty. We believe in free, private enterprise, and in the imposition of the strictest limits to the power of government. The philosophy which we advocate is that which was shared by some of the greatest and deepest political thinkers of modern times—by Adam Smith, Burke, Bentham, Herbert Spencer; it is responsible for most of the good that the modern world has accomplished in the way of material progress and increased freedom.

Two or three decades ago, individualism was held in contempt by American intellectuals, and a decade ago they regarded it as at least wildly eccentric. We certainly do not deny that the majority of today's intellectuals are still guided by the ideas which grew up in the 1930's. But the slogans which the New Deal shouted, and the sterotypes which it propogated, while perhaps fresh and exciting then, have lost their appeal to the generation which has emerged in recent years, one which sees no reason to consider our march towards the Total State to be as "inevitable as a law of nature."

College professors like to think of themselves as working far out on the frontiers of knowledge; the truth is, however, that in some respects, at least, they are not so very different from most people. They, too, think that old ideas, like old friends, are best. Accustomed to the premises of the collectivist ideology which they absorbed when they were students, they are understandingly comfortable with it, and are reluctant to change. But it is equally understandable that the best and most independent in each generation should want to test the premises of its predecessors, and seek out more veridical ones.

This is precisely what has been happening. An increasing number of students in the past decade have recognized the inadequacies of the orthodox response to most of the present-day social and economic challenges. The party of liberty is steadily gaining adherents among students: One of the purposes of this review will be to add to the growing number of libertarians in our colleges and universities.

In future issues we will publish articles and reviews by students and younger scholars, and occasionally by established authorities, in philosophy, economics, politics, history, and the humanities. The viewpoints presented will generally be libertarian or conservative, but we will consider for publication any essay which indicates a reasoned concern for freedom, and a thoughtful valuation of its importance.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Capitalism and Freedom

MILTON FRIEDMAN

IN DISCUSSING the principles of a free society it is desirable to have a convenient label and this has become extremely difficult. In the late 18th and early 19th centuries, an intellectual movement developed that went under the name of Liberalism. This development, which was a reaction against the authoritarian elements in the prior society, emphasized freedom as the ultimate goal and the individual as the ultimate entity in the society. It supported *laissez faire* at home as a means of reducing the role of the state in economic affairs and thereby avoiding interfering with the individual; it supported free trade abroad as a means of linking the nations of the world together peacefully and democratically. In political matters, it supported the development of representative government and of parliamentary institutions, reduction in the arbitrary power of the state, and protection of the civil freedoms of individuals.

Beginning in the late 19th century, the intellectual ideas associated with the term liberalism came to have a very different emphasis, particularly in the economic area. Whereas 19th century liberalism emphasized freedom, 20th century liberalism tended to emphasize welfare. I would say welfare instead of freedom though the 20th century liberal would no doubt say welfare in addition to freedom. The 20th century liberal puts his reliance primarily upon the state rather than on private voluntary arrangements.

Milton Friedman, Professor of Economics at the University of Chicago, is the author of *Essays in Positive Economics*, co-editor of the Cambridge Economic Handbook series, and a contributor of numerous articles to professional journals.

The difference between the two doctrines is most striking in the economic sphere, less extreme in the political sphere. The 20th century liberal, like the 19th century liberal, puts emphasis on parliamentary institutions, representative government, civil rights, and so on. And yet even here there is an important difference. Faced with the choice between having the state intervene or not, the 20th century liberal is likely to resolve any doubt in favor of intervention; the 19th century liberal, in the other direction. When the question arises at what level of government something should be done, the 20th century liberal is likely to resolve any doubt in favor of the more centralized level — the state instead of the city, the federal government instead of the state, a world organization instead of a federal government. The 19th century liberal is likely to resolve any doubt in the other direction and to emphasize a decentralization of power.

This use of the term liberalism in these two quite different senses renders it difficult to have a convenient label for the principles I shall be talking about. I shall resolve these difficulties by using the word liberalism in its original sense. Liberalism of what I have called the 20th century variety has by now become orthodox and indeed reactionary. Consequently, the views I shall present might equally be entitled, under current conditions, the "new liberalism," a more attractive designation than "nineteenth century liberalism."

It is widely believed that economic arrangements are one thing and political arrangements another, that any kind of economic arrangement can be associated

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

with any kind of political arrangement. This is the idea that underlies such a term as "democratic socialism." The essential thesis, I believe, of a new liberal is that this idea is invalid, that "democratic socialism" is a contradiction in terms, that there is an intimate connection between economic arrangements and political arrangements, and that only certain combinations are possible.

It is important to emphasize that economic arrangements play a dual role in the promotion of a free society. On the one hand, "freedom" in economic arrangements is itself a component of freedom broadly understood, so "economic freedom" is an end in itself to a believer in freedom. In the second place, economic freedom is also an indispensable means toward the achievement of political freedom.

The first of these roles of economic freedom needs special emphasis. The citizen of Great Britain who after World War II was not permitted, by law, to spend his vacation in the United States because of exchange control was being deprived of an essential freedom no less than the citizen of the United States who was denied the opportunity to spend his vacation in Russia on the grounds of his political views. The one was ostensibly an economic limitation on freedom and the other a political limitation, yet there is no essential difference between the two.

The citizen of the United States who is compelled by law to devote something like 10% of his income to the purchase of a particular kind of retirement contract, administered by the government, is being deprived of a corresponding part of his own personal freedom. How strongly this particular deprivation may be felt, and its closeness to the deprivation of religious freedom, which all would regard as "civil" or "political" rather than "economic," was dramatized by the recent episode involving a group of Ohio or Pennsylvania farmers of a particular religious sect. On grounds of principle, this group regarded compulsory federal old age programs as an infringement on their own personal individual freedom and refused to pay taxes or accept benefits. As a result, some of their livestock were sold at auction in order to satisfy claims for social security levies. A citizen of the United States who under the laws of various states is not free to follow the occupation of his own choosing unless he can get a license for it, is likewise being deprived of an essential part of his freedom. So economic freedom, in and of itself, is an extremely important part of total freedom.

The reason it is important to emphasize this point is because intellectuals in particular have a strong bias against regarding this aspect of freedom as important. They tend to express contempt for what they regard as material aspects of life and to regard their own pursuit of allegedly higher values as on a different plane of significance and as deserving special attention. But for the ordinary citizen of the country, for the great masses of the people, the direct importance of economic freedom is in many cases of at least comparable importance to the indirect importance of economic freedom as a means of political freedom.

VIEWED AS a means to the end of political freedom, economic arrangements are essential because of the effect which they have on the concentration or the deconcentration of power. A major thesis of the new liberal is that the kind of economic organization that provides economic freedom directly, namely, organization of economic activities through a largely free market and private enterprise, in short through competitive capitalism, is also a necessary though not a sufficient condition for political freedom. The central reason why this is true is because such a form of economic organization separates economic power from political power and in this way enables the one to be an offset to the other. Historical evidence speaks with a single voice on the relation between political and economic freedom. I cannot think of a single example at any time or any place where there was a large measure of political freedom without there also being something comparable to a private enterprise market form of economic organization for the bulk of economic activity.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Because we live in a largely free society, we tend to forget how limited is the span of time and the part of the globe for which there has ever been anything like political freedom. The 19th century and the early 20th century in the Western world stand out as striking exceptions from the general trend of historical development. It is clear that freedom in this instance came along with the free market and the development of capitalist institutions.

History suggests only that economic freedom is a necessary condition for political freedom. Clearly it is not a sufficient condition. Fascist Italy or Fascist Spain, Germany at various times in the last 70 years, Japan before World Wars I and II, Czarist Russia in the decades before World War I are all societies that cannot conceivably be described as politically free yet in which private enterprise was the dominant form of economic organization. So it is possible to have economic arrangements that are fundamentally capitalist and yet political arrangements that are not free.

Yet, even in those cases, the citizenry had a good deal more freedom than citizens of a modern totalitarian state like Russia or Nazi Germany in which economic totalitarianism is combined with political totalitarianism. Even in Russia under the Czars it was possible for some citizens under some circumstances to change their jobs without getting permission from political authority because the existence of private property and of capitalism provided some kind of offset to the centralized power of the state.

The relation between political and economic freedom is complex and by no means unilateral. In the early 19th century, Bentham and the Philosophical Radicals were inclined to regard political freedom as a means to economic freedom. Their view was that the masses were being hampered by the restrictions that were being imposed upon them, that if political reform gave the bulk of the people the vote, they would do what was good for them, which was to vote for *laissez faire*. In retrospect, it is hard to say that they were wrong. There was a large measure of political reform that was accompanied by economic reform in the direction of a great deal of *laissez faire*. And an enormous increase in the well-being of the masses followed this change in economic arrangements.

Later in the 19th century, when there began to be a movement away from freer economic arrangements and *laissez faire* toward a greater measure of collectivism and centralization, the view developed, as expressed for example by Lord Acton and in the 20th century by Henry Simons and Friedrich Hayek, that the relation was more nearly the opposite — that economic freedom was the means to political freedom.

In the period since World War II, I think we have seen still a different interconnection between political and economic freedom. In the post-war period, the fears that economic intervention would destroy political freedom seemed to be on the way to being realized. Various countries, and again Britain is perhaps the outstanding example because it has been so much a leader in the realm of ideas and social arrangements, did extend very greatly the area of state intervention into economic affairs and this did threaten political freedom. But the result was rather surprising. Instead of political freedom giving way, what happened in many cases was that economic intervention was discarded. The striking example in British post-war development was the Control-of-Engagements Order issued by the Labor Government. In trying to carry out their economic plans, the Labor Government found it necessary to do something which several years before it had said it would never do, namely, to exercise control over the jobs which people could take. Thanks to widespread popular objection, the legislation was never enforced at all extensively. After being on the books for one year, it was repealed. It seems clear that it was repealed precisely because it quite directly threatened a cherished political freedom. And from that day to this, there has been a trend toward a reduction in the extent of political intervention in economic affairs.

The dismantling of controls dates from the repeal of the Control-of-Engagements Order; it would have occurred even if

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the Labor Government had stayed in power. This may, of course, turn out to be a purely temporary interlude, a minor halt in the march of affairs toward a greater degree of intervention into economic affairs. Perhaps only innate optimism leads me to believe that it is more than that. Whether this be so or not, it illustrates again in striking fashion the close connection between economic arrangements and political arrangements. Not only in Britain but in other countries of the world as well, the post-war period has seen the same tendency for economic arrangements to interfere with political freedom and for the economic intervention frequently to give way.

Historical evidence that the development of freedom and of capitalist and market institutions have coincided in time can never by itself be persuasive. Why should there be a connection? What are the logical links between economic and political freedom? In discussing these questions, I shall first consider the market as a direct component of freedom and then the indirect relation between market arrangements and political freedom. In the process, I shall in effect outline the ideal economic arrangements of the new liberal.

10

THE NEW LIBERAL takes freedom of the individual as his ultimate goal in judging social arrangements. Freedom as a value in this sense has to do with the interrelations among people; it has no meaning whatsoever to a Robinson Crusoe on an isolated island (without his man Friday). Robinson Crusoe on his island is subject to "constraint," he has limited "power," he has only a limited number of alternatives, but there is no problem of freedom in the sense that is relevant to the present discussion. Similarly, in a society, freedom has nothing to say about what an individual does with his freedom; it isn't an all-embracing ethic by any manner of means. Indeed, a major aim of the believer in freedom is to leave the ethical problem for the individual to wrestle with. The "really" important ethical problems are those that face an individual in a free society — what an individual should do with his freedom. There are thus two sets of values that a liberal will emphasize — the values relevant to relations among people which is the context in which he assigns first priority to freedom; and the values that are relevant to the individual in the exercise of his freedom, which is the realm of individual ethics and philosophy.

Fundamentally there are only two ways in which the activities of a large number of people can be co-ordinated: by central direction, which is the technique of the army and of the totalitarian state and involves some people telling other people what to do; or by voluntary co-operation, whch is the technique of the market place and of arrangements involving voluntary exchange. The possibility of voluntary co-operation in its turn rests fundamentally on the proposition that both parties to an exchange can benefit from it. If it is voluntary and reasonably well informed, the exchange will not take place unless both parties do benefit from it.

The simplest way to see the principle at work is to go back to the economist's favorite abstraction of Robinson Crusoe, only to have a number of Robinson Crusoe households on different islands, each of which is initially self-sufficient. Let the households come into contact with one another. The possibility of trade now emerges. What is it that gives them an incentive to trade? The answer clearly is that if each household concentrates on a small range of activities, producing things for itself indirectly, by trade, rather than doing everything for itself, everybody can be better off. This possibility arises for two reasons: one is that an individual can achieve a higher degree of competence in an activity if he specializes in it rather than engaging in many activities; the other, closely associated but not identical, is that people are different and each can specialize in those activities for which he has special capacities. Even if everyone were identical in all his capacities and abilities, there would still be a gain from division of labor which would make a larger total return possible because each individual could concentrate on a particular activity. But in addition, di-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

versity among people becomes a source of strength because each individual can concentrate on doing those things that he can do best. So the incentive for the households to engage in trade and to specialize is the possibility of a greater total output.

The protection to Household A is that it need not enter into an exchange with Household B unless both parties benefit. If exchange is voluntary, it will take place if, and only if, both parties do benefit. Each individual always has the alternative of going back to producing for himself what he did before so he can never be worse off; he can only be better off.

OF COURSE, specialization of function and division of labor would not go far if the ultimate productive unit were the household. In a modern society, we have gone much farther. We have introduced enterprises which are intermediaries between individuals in their capacities as suppliers of services and as purchasers of goods. And similarly, specialization of function and division of labor could not go very far if we had to continue to rely on the barter of product for product. In consequence, money has been introduced as a means of facilitating exchange and of enabling the act of purchase and of sale to be separated into two parts.

The introduction of enterprises and the introduction of money raise most of the really difficult problems for economics as a science. But from the point of view of the principles of social organization, they do not fundamentally alter the essential character of economic arrangements. In a modern complex society using enterprises and money it is no less true than in the simple idealized world that co-ordination through the markets is a system of voluntary co-operation in which all parties to the bargain gain.

So long as effective freedom of exchange is maintained, the essential feature of the market is that it enables people to co-operate voluntarily in complex tasks without any individual being in a position to interfere with any other. Many of the difficult technical problems that arise in applying our principles to actual economic arrangements are concerned with assuring effective freedom to enter or not to enter into exchanges. But so long as people are effectively free to enter into an exchange and are reasonably well informed the essential feature of the market remains that of our ideal example. It provides for co-operation without coercion; it prevents one person from interfering with another. The employer is protected from being interfered with or coerced by his employees by the existence of other employees whom he can hire. The employee is protected from being coerced by his employer by the existence of other employers for whom he can work; the customer by the existence of other sellers, and so on.

Of course, it is partly this feature of the market that leads many people to be opposed to it. What most people really object to when they object to a free market is that it is so hard for them to shape it to their own will. The market gives people what the people want instead of what other people think they ought to want. At the bottom of many criticisms of the market economy is really lack of belief in freedom itself.

The essence of political freedom is the absence of coercion of one man by his fellow men. The fundamental danger to political freedom is the concentration of power. The existence of a large measure of power in the hands of a relatively few individuals enables them to use it to coerce their fellow man. Preservation of freedom requires either the elimination of power where that is possible, or its dispersal where it cannot be eliminated. It essentially requires a system of checks and balances, like that explicitly incorporated in our Constitution. One way to think of a market system is as part of a broader system of checks and balances, as a system under which economic power can be a check to political power instead of an addition to it.

If I may speculate in an area in which I have little competence, there seems to be a really essential difference between political power and economic power that is at the heart of the use of a market mechanism to preserve freedom. With respect to political power, there is something like a law of conservation of ener-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

gy or power. The notion that what one man gains another man loses has more applicability in the realm of politics than in the realm of economic arrangements. One can have many different small governments, but it is hard to think of having many different small centers of political power in any single government. It is hard for there to be more than one really outstanding leader, one person on whom the energies and enthusiasms and so on of his countrymen are centered. If the central government gains power, it is likely to do so at the expense of local governments. While I do not know how to formulate the statement precisely, there seems to be something like a fixed total of political power to be distributed.

There is no such fixed total, no law of conservation of power, with respect to economic power. You cannot very well have two presidents in a country, although you may have two separate countries, but it is perfectly possible to have a large number of additional millionaires. You can have an additional millionaire without there being any fewer millionaires anywhere else. If somebody discovers a way to make resources more productive than they were before, he will simply add to the grand total of economic wealth. Economic power can thus be more readily dispersed than political power. There can be a larger number of independent foci of power. Further, if economic power is kept in separate hands from political power, it can serve as a check and an offset to political power.

This is a very abstract argument and I think I can illustrate its force for our purpose best by turning to some examples. I would like to discuss first a hypothetical example that helps to bring out the principles involved and then an actual example from recent experience that also illustrates the way in which the market works to preserve political freedom.

I think that most of us will agree that an essential element of political freedom is the freedom to advocate and to try to promote radical changes in the organization of society. It is a manifestation of political freedom in our capitalist society that people are free to advocate, and to try to persuade others to favor socialism or communism. I want to contemplate for a moment the reverse problem. It would be a sign of political freedom in a socialist society that people in that society should be free to advocate, and try to persuade others to favor capitalism. I want to ask the hypothetical question: how could a socialist society preserve the freedom to advocate capitalism? I shall assume that the leading people and the public at large seriously wish to do so and ask how they could set up the institutional arrangements that would make this possible.

THE FIRST problem is that the advocates of capitalism must be able to earn a living. Since in a socialist society all persons get their incomes from the state as employees or dependents of employees of the state, this already creates quite a problem. It is one thing to permit private individuals to advocate radical change. It is another thing to permit governmental employees to do so. Our whole post-war experience with un-American activities committees and the McCarthy investigations and so on shows how difficult a problem it is to carry over this notion to governmental employees. The first thing that would be necessary would therefore be essentially a self-denying ordinance on the part of the government that would not discharge from public employment individuals who advocate subversive doctrines — since of course, in a socialist state the doctrine that capitalism should be restored would be a subversive doctrine. Let us suppose this hurdle, which is the least of the hurdles, is surmounted.

Next, in order to be able to advocate anything effectively it is necessary to be able to raise some money to finance meetings, propaganda, publications, writings and so on. In a socialist society, there might still be men of great wealth. There is no reason why a socialist society shouldn't have a wide and unequal distribution of income and of wealth. It is clear, however, that most, if not all of the people, of great wealth or income would be the leading figures in the government, directly or indirectly — high

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

level civil servants or favored authors, actors, and the like. Perhaps it doesn't strain the bounds of credulity greatly to suppose that the government would countenance and tolerate the advocacy of capitalism by minor civil servants. It's almost incredible that it could tolerate the financing of subversive activity by leading civil servants. It is, therefore, hard to believe that these wealthy or high income individuals could be a source of finance. The only other recourse would be to try to get small sums from a large number of people. But this evades the issue. In order to get a lot of people to contribute you first have to persuade them. How do you get started persuading?

Note that in a capitalistic society radical movements have never been financed by small amounts from many people. They have been financed by a small number of wealthy people being willing to foot the bill. To take an example that is quite old but very striking, who financed Karl Marx? It was Engels, and where did Engels get his money? He was an independent business man of wealth. (In the modern day it's the Anita McCormick Blaines and Frederick Vanderbilt Fields, the Corliss Lamonts and so on who have been the source of finance of the radical movement.) This is the important source of the strength of freedom in a capitalist society. It means that anybody who has a "crazy" idea that he wants to propagate and promote has only to persuade a small number out of a very large number of potential backers in order to be able to get an opportunity to try out his crazy notions in the market place of ideas.

Moreover, the situation is even more extreme. Suppose somebody has an idea that he thinks will appeal to a large number of people. He doesn't even have to persuade somebody that he is right. He just has to persuade some capitalist in the society — in this particular case say a publisher or a magazine editor — that there's a chance that a lot of people will be willing to pay to read about his idea. A publisher, for example, will have an incentive to publish a book, with whose ideas he doesn't agree in the slightest, if there is a substantial chance that the book will sell enough copies to make money.

By contrast, let's go back to the hypothetical socialist society. How does the proponent of capitalism in such a society raise money to propagate his ideas? He can't get it from the wealthy individuals in the society. It is hard to believe that it is feasible for him to raise the necessary amount by getting small sums from a large number of people. Perhaps one can conceive of the socialist society being sufficiently aware of this problem and sufficiently anxious to preserve freedom to set up a governmental fund for the financing of subversive activities. It is a little difficult to conceive of this being done, but even if it were done it would not meet the problem. How would it be decided who should be supported from the fund? If subversive activity is made a profitable enterprise, it is clear that there will be an ample supply of people willing to take money for this purpose. If money is to be got for the asking, there will be plenty of asking. There must be some way of rationing. How could it be rationed?

Even if this problem were solved, the socialist society would still have difficulties in preserving freedom. The advocate of capitalism must not only have money, he must also be able to buy paper, print his material, distribute it, hold meetings, and the like. And, in the socialist society, in each instance this would involve dealing with an instrumentality of the government. The seller of paper in a capitalist society doesn't care or indeed know whether the paper he's selling is going to be used to print the *Wall Street Journal* or the *Worker*.

In the circumstances envisaged in the socialist society, the man who wants to print the paper to promote capitalism has to persuade a government mill to sell him the paper, a government printing press to print it, a government post office to distribute it among the people, a government agency to rent him a hall in which to talk and so on. Maybe there is some way in which one could make arrangements under a socialist society to preserve freedom and to make this possible. I certainly cannot say that it is utterly impossible. What is clear is

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

that there are very real difficulties in preserving dissent and that, so far as I know, none of the people who have been in favor of socialism and also in favor of freedom have really faced up to this issue or made even a respectable start at developing the institutional arrangements that would permit freedom under socialism. By contrast, it is clear how a free market capitalist society fosters freedom.

A striking example, which may be found in the January 26, 1959, issue of *Time,* has to do with the "Black List Fade-Out." Says the *Time* story, "The Oscar awarding ritual is Hollywood's biggest pitch for dignity but two years ago dignity suffered. When one Robert Rich was announced as top writer for *The Brave One,* he never stepped forward. Robert Rich was a pseudonym masking one of about 150 actors blacklisted by the industry since 1947 as suspected Communists or fellow travelers. The case was particularly embarrassing to the Motion Picture Academy because it had barred any Communist or 5th Amendment pleader from Oscar competition.

"Last week both the Communist rule and the mystery of Rich's identity were suddenly revealed. Rich turned out to be Dalton (*Johnny Got His Gun*) Trumbo, one of the original Hollywood Ten writers who refused to testify at the 1947 hearing on Communism in the movie industry. Said producer Frank King who had stoutly insisted that Robert Rich was a young guy in Spain with a beard, 'We have an obligation to our stockholders to buy the best script we can. Trumbo brought us *The Brave One* and we bought it . . .' In effect it was the formal end of the Hollywood black list. For barred writers, the informal end came long ago. At least fifteen per cent of current Hollywood films are reportedly written by black list members. Said producer King, 'There are more ghosts in Hollywood than in Forest Lawn. Every company in town has used the work of black listed people; we're just the first to confirm what everybody knows'."

One may believe, as I do, that Communism would destroy all of our freedoms, and one may be opposed to it as firmly and as strongly as possible and yet at the same time also believe that in a free society it is intolerable for a man to be prevented from earning his living because he believes in or is trying to promote Communism. His freedom includes his freedom to promote Communism. The Hollywood black-list is a thoroughly unfree act that destroys freedom. It didn't work, however, precisely because the market made it costly for people to preserve the black list. The commercial emphasis, the fact that people who are running enterprises have an incentive to make as much money as they can, protected the freedom of the individuals who were black listed by providing them with an alternative form of employment, and by giving people an incentive to employ them.

If Hollywood and the movie industry had been government enterprises or if in England it had been a question of employment by the BBC it is difficult to believe that the Hollywood Ten or their equivalent would have found employment.

The essential feature of the market which is brought out by these examples, and one could multiply them many fold, is essentially that it separates the economic activities of the individual from his political ideas or activities and in this way provides individuals with an effective support for personal freedom. The person who buys bread doesn't know whether the wheat from which it was made was grown by a pleader of the 5th Amendment or a McCarthyite, by a person whose skin is black or whose skin is white. The market is an impersonal mechanism that separates economic activities of individuals from their personal characteristics. It enables people to co-operate in the economic realm regardless of any differences of opinion or views or attitudes they may have in other areas. You and I may buy Mennen drug products even though we may think "Soapy" Williams was a terrible governor of the state of Michigan. This is the fundamental way in which a free-market capitalist organization of economic activity promotes personal freedom and political freedom.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Politics and the Moral Order

JOHN P. McCARTHY

THE EXISTENCE of our civilization is threatened today as the full implications of our prevailing philosophies are being actualized in the life of the common man. These philosophies have an inadequate conception of the nature of man and human liberty. Having been isolated in the academies up until now, they have had only a minimal effect on society as the bulk of the populace continued to be moved by its inherited traditions and beliefs, which provide a firm foundation for liberty, justice, and social harmony. Men accepted a moral order, and acted, or at least recognized their obligation to so act, with the purpose of attaining their own and society's moral perfection. However, the vast physical and social changes of the recent era have nullified the effectiveness of the traditional guides to wisdom and morality, thereby leaving man naked before the onslaught of the destructive philosophies.

Surprisingly enough, many of the political and economic institutions responsible for our great advances in liberty and progress have been inspired in part by the writings of the very same men who have postulated the destructive philosophies. The explanation for this paradox is that our pragmatic attitude towards theory and our traditional morality derived from ancient sources have shielded us from the full implications of these philosophies while we utilized their practical suggestions. Indeed, in their use of the practical suggestions of these thinkers, the Americans were unconsciously motivated by a more ancient philosophical tradition quite at odds with the newer positions.

One alternative to the impending social chaos is a dehumanizing regimentation. Naturally rejecting this, we have no choice but to restore a philosophy of moral purpose and order as the foundation of our society. The age is past when we could rely solely on our pragmatic prudence and traditional morality as the safeguards of our liberty. This philosophy of liberty must be formulated in the academy by a thorough research into the works of its earlier exponents, as well as a new statement of its truths in an idiom and in a vein applicable to our age. Society must then positively commit itself to this view of man and the moral order. However, it is well to analyze the prevailing philosophies to see wherein lies their failure before attempting to state a positive position.

First, certain clarifications are in order. Since our crisis is primarily one of first principles, this discussion will not especially lend itself to the actual construction of our political institutions or to the effectiveness of their operations, even though such areas are of vital importance. Also by the way of clarification, the term "perfection" is used solely in the sense of the ideal to which free and responsible men are obliged to aspire. I am certainly aware of original sin and man's proclivity to evil, and admit the necessity of considering this in the actual structuring of society so as to fortify the cause of morality with institutional and traditional supports. Furthermore, I

John P. McCarthy, a graduate of Fordham University, is at present a Woodrow Wilson Fellow in the Department of History, University of Chicago.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

repudiate that notion of man's perfectability which would disregard his freedom, and interpret him in a deterministic light as raw material to be molded to a perfect image.

The notions which are at the root of our present crisis are the abandonment of a teleological view of man, the substitution of individual pleasure and life itself for justice and virtue as the ends of society, and the interpretation of natural law or rights as something pertaining to an earlier state in human history rather than as the code of man's perfection.

Thomas Hobbes, of course, introduced these concepts to the Anglo-Saxon world by depicting organized society as a contractual arrangement made by natural man. The state of nature was anarchistic savagery, where men followed but one impulse, namely, egoistic hedonism: to live and get pleasures. Natural man came to the conclusion that he stood a better chance to satisfy this impulse, or at least to preserve from the hedonistic impulses of his fellows that degree of satisfaction which he had already attained, by submitting himself to the authority of the state. There are no moral codes or limitations relevant to the state power; It exists solely because men think the gains of their own hedonism will be better preserved from the hedonistic ambitions of their fellows in an organized state.

John Locke also started with natural man. For Locke, however, the state of nature was not necessarily a state of savagery. Nonetheless, man surrendered certain of his powers which he used in defending himself and his possessions to the state for the purpose of obtaining more adequate protection. This is not a complete submission to the state because its authority is specifically limited to those powers which man delegates to it in the original social contract. These powers are for the sole purpose of protecting man's freedom of life and property. The natural law is a statement of the absence of restraint upon man, and is the standard to which man can appeal when the state transgresses the specific limitations of its power.

Locke does not concern himself with man's perfection or his obligations to his fellows or to society, but just insists on man's freedom from interference with his life and property. Consequently, his conception of man is basically hedonistic, with the nature of man being solely that of a property and pleasure-gathering agent, who of course, ought not to interfere with his fellows' similar pursuits. This ethic does not inspire one to seek his own moral perfection, or his brothers' or society's perfection as a good in itself. The only social impulse is to improve the instruments of protecting one's own freedom.

Granted that Locke's works are a magnificent contribution to the literature of constitutionalism, to the concept of restraining arbitrary power, they still fail to express a positive and noble statement of man's nature. He recognizes no good, no perfection to which we are in duty bound to aspire, but thinks only in terms of rights and unrestrained individuality.

Tom Paine pleads for the rights of man as liberties accruing to man by reason of his creation or existence. This would seem to suggest a notion that man has rights because he is by his nature a free agent. These rights include the pursuit of one's own happiness, but he also speaks of man's duty to God and to his neighbor. Paine was primarily a polemicist, rather than a philosopher, and one really cannot read too many profound meanings into his words. Yet, he seems to leave some room for an interpretation of man's nature as that of a free being responsible for pursuing a moral good, which is a nobler justification for human liberty than the blunt animal desire for self-preservation and pleasure.

However, Paine is anti-historical in his assertion that a government's legitimacy must be based on an original democratic grant of authority by the governed, and that each generation has the authority to change its government at will. His assertion that only those governments with delegated constitutions are legitimate could lead to anarchy. It is fine to plead for democratic reforms and constitutionalism, but the grounds for declaring a government

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

to be illegitimate or for revolting are only present if the government is not a just one, or if it is not ruling for the benefit of all the nation.

William Godwin presented a new view of the nature of man. Man is by nature reasonable, and will always act for the utility of the whole of society. However, the institutions of organized society have corrupted man. The path back is to eliminate the corrupting institutions and restore human reasonableness by education. Then, once again, man will automatically follow the action dictated by reason, the action which serves the utility of society. There is no conception of human liberty or natural rights. Rather, man's behavior is determined either by institutions or by education. The latter promotes a behavior pattern serving the utility, not the moral perfection, of society. Nor is there any concern with the individual's own perfection and destiny.

This was the beginning of a reaction against selfish, dutiless individualism. Reaction denied not only virtue and justice, but liberty and natural rights as well. It demanded the forced subjection of the human being to the social end: the attainment of a maximum of utility in achieving the greatest amount of material pleasure for the greatest number of individuals. The utilitarian philosophers advocated unrestrained selfish individualism not out of a concern for liberty but because they believed in a natural harmony of selfish interests which would more efficiently advance the quantity and quality of human pleasures. A calculus of pleasure and pain was elaborated to induce men to a pattern of behavior which would avoid short-range pleasures, such as those which would interfere with the unrestrained activities of other pleasure-seekers, for the sake of achieving a greater quantity of pleasures in the long run. Education was also an instrument for showing individuals how to attain the greatest level of pleasure.

The utilitarian arguments for a rationalization of social institutions and for democracy were prompted solely by the exigencies of socal efficiency. A democratic society would prevent the short range selfishness of the few from interfering with the long range selfishness of the many.

The Lockean philosophy, despite its inadequate conception of the nature of man, had at least imposed distinct limitations on arbitrary governmental power. Utilitarianism, however, had abandoned any basis for human liberty. It denied natural rights, and did not even consider any notion of man's perfection or moral obligations. Rather, it simply sought to channel human liberties into the production of the maximum quantity of pleasure, and it just happened that unrestrained individualism was the most efficient method of doing so.

This heritage of man as a pleasure-seeker who, by nature has no special dignity which makes him free, and no essential grounds of appeal against arbitrary state power if such is exercised in the name of efficiency, has persisted to our day. But now it is maintained that the most efficient means of pleasure-production is direction of human enterprise by the state.

Modern politics no longer concerns itself with the nature of man, the ends of society, justice, virtue, or even the limits of governmental authority. Rather, it is the study of the techniques of administering the institutions of government, with the sole purpose of distributing pleasures and keeping the populace in a satisfied and contented status. However, it seems to be failing at even this, since it has forgotten the spontaneous efficiency of undirected human energies in the production of a greater material well-being.

The great aim of political science has become administrative efficiency and the adjustment of atomized individuals who are the members of the state. Men are adjusted and molded to an acceptance of society and to an efficient participation in its productive activities. Free and responsible individuals are no longer moved to exercise their liberty by dealing justly with their fellows and society according to an inner conviction of duty and morality.

Astonishingly, the only freedom to which our sensate culture adheres is freedom from any imposed intellectual

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

and spiritual orthodoxy. Indeed, the multiplicity of concepts of man and his nature is considered a good in itself, thereby emphasizing the society's lack of concern with the nature of man. Yet, one of the essential ingredients of a just and liberal society is a commitment by the society — as reflected in the spirit of its institutions as well as in the personal convictions of the overwhelming majority of its citizenry — to the basic first principles of the nature of man and society.

The fundamental premises of the philosophy to which a society must be committed if it is to preserve its freedom is that a man is by his nature a free, social, and responsible being. Man is capable of knowing the truth which he must follow to attain his perfection. As a responsible being, he can only achieve this perfection by his own voluntary acts. To act as a responsible being, man must have control over his own person and must fulfill his duties by himself. This means he must have as much freedom in directing his personal affairs and in fulfilling his obligations to his fellow man and to justice as is possible. Governmental assumption of these duties would be a negation of personal responsibility.

Society is composed of individuals achieving their individual destinies and fulfilling their duties as required by justice towards one another. Man, by his nature, achieves his perfection as a member of society. Therefore, organized society is part of the natural order, and as such has a positive function to play in aiding man to achieve his perfection. Solitary man, without society, is helpless. Yet, society must not frustrate its own purpose of promoting human perfection by depriving man of the very means of achieving his perfection, his free and responsible direction of himself.

A recommitment by society to the principles of liberty and justice must be combined with an increasing awareness of society and the nation on the part of the individual. Men must renew their cognisance of their engagement in society, and must recognize their dependence on society, although, of course, not in the sense of being either a customer or a ward. A reverential attitude towards the traditions and heritage of our society and a commitment to its ideals of liberty and justice are essential for its preservation as a free society and for the prevention of its degeneration into a savage and irresponsible anarchy. This awareness of the nation and of its traditions will have a restorative effect and inspire free men to advance in the development of their civilization and moral order.

New Individualist Review welcomes contributions for publication from its readers. Essays should not exceed 3,000 words, and should be type-written. All manuscripts will receive careful consideration.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The Next Four Years: An Appraisal

JOHN WEICHER

THE PHILOSOPHY of individualism is on the offensive among scholars and students, but its practical counterpart, political conservatism, is still on the defensive, fighting a rear-guard holding action in day-to-day events. It is not entirely successful in doing even that; the conservatives have just lost one valuable short-run bulwark, as a result of the new Administration's success in packing the Rules Committee of the House of Representatives. This defeat, substantial as it is, has significance only in regard to domestic policy; there never was anything that Judge Smith and his fellow conservatives could do about the continuing unpoliced moratorium on nuclear tests or the disintegration of the Southeast Asia Treaty Organization in Laos or any of a large number of international problems where mistakes in policy could make the question of the minimum wage purely academic.

But for the time being, at least, the minimum wage and the welfare measures of President Kennedy's domestic program are very important, and despite his victory, about all the new President has accomplished is that his program will not be stillborn. Every Representative who voted against the packing scheme did so with the knowledge of what would happen to the President's legislative plans if the scheme failed. In effect, each took a stand on those legislative plans. Among that 212, the conservatives can expect to lose as many as 15 or 20 on specific issues, but it should also be pointed out that about as many conservatives voted with the President; virtually all of these can be expected to vote against him on his specific proposals. Whatever impelled Thomas Curtis of Missouri, for example, to vote to give life to the Forand bill, he cannot be expected to support the measure itself, since he has been its best-informed and most effective opponent; nor can the Administration expect much further support from old Joe Martin, the former Speaker, or William Bates of Massachusetts, or Bill Ayres of Ohio. And the Louisianans and Texans and Arkansans who bowed to party pressure cannot bow further without committing political suicide, if they have not done so already.

The Rules Committee itself is by no means a tool of the President. Judge Smith is still Chairman and, like Adolph Sabath, his left-wing Democratic predecessor, even in the minority he will probably be able to stop a good deal of the legislation he opposes. The Judge's still formidable strength, added to the second line of conservative defense which is the House itself, will be likely to defeat most if not all of the President's proposals.

Therefore, since the general fate of the New Frontier has probably been settled by the conservative strength shown in the Rules Committee vote of January, the present offers a good opportunity to take a longer-range view of the political situation in the country. Here the prospects are much less encouraging than they are in the short-run Congressional skirmishing. In the longer view, the Rules Committee packing, important as it was, has simply ended a war which

Formerly a writer for *Human Events*, John Weicher is currently a graduate student in the Department of Economics at the University of Chicago. He received his B.A. from the University of Michigan.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the Republicans could never have won as long as they remain the minority party in the House. It is no accident that Judge Smith and Congressman Colmer are the first- and second-ranking Democrats on the Committee; both were first appointed to it in the 1930's, before the Southerners formed their alliance with the Republicans. Both are in their 70's. Should either retire or die, their replacements would be far to the left of them. The other two holdover Southern Democrats on the committee, Trimble of Arkansas and Thornberry of Texas, generally vote with the Northern wing except on civil rights or states' rights issues. The Democratic leadership has long since stopped appointing conservatives to Rules Committee vacancies.

The Republicans can sterilize the Administration's victory by regaining control of the House. In 1962 they will be aided by the natural advantages of the "outs"—the normal opposition that any administration creates will be working for them. But the 1962 election will be complicated by redistricting, particularly in the larger states, and the Republican failure to win the important state legislatures will probably cancel out their normal off-year gains. For instance, the Democrats are in full control in California, and have promised to gerrymander as many Republicans as possible out of their seats, especially in Los Angeles County. What they do could easily nullify all the Republican gains in the states west of the Mississippi River. Pennsylvania is also dominated by the Democrats, though there the gerrymandering danger is less. Of the large states which must redistrict, the Republicans hold only New York, and any conservative gains there are likely to be small. Elsewhere, the Republicans have at best a split with the Democrats. Moreover, many of the smaller states which lose Congressmen are conservative, such as Maine, Mississippi, Nebraska and North Carolina. It would not be too surprising if the Democrats were to show some small gains in 1962, barring a political rock by Kennedy.

Despite all the talk to the contrary, the Republicans did not do very well last year. Nixon ran well ahead of his party in most of the nation, but the party itself, which he supposedly has been directing politically since 1954 and rebuilding since 1958, rebounded very slightly from the collapse of 1958. It failed to regain even one-half of the Congressional seats it lost that year, and the untimely death of Keith Thomson in Wyoming deprived it of one of the two Senate seats it was able to win (and also deprived the conservatives of their only Senate gain). It was a singularly inauspicious record for a party which has been claiming that it only gets its total vote out in Presidential election years; it raises the question of whether the Republican slide which began in 1954 has yet bottomed out.

On the more cheerful side, one of last November's significant results was the defeat of a disproportionately large number of Democrats who took extreme leftist positions on foreign policy or internal security matters. For example, Jimmy Roosevelt was forced to drop his campaign against the Un-American Activities Committee after the defeats of several of his supporters. Also, two of the three avowed advocates of recognizing Communist China were retired by their constituents. While William Meyer of Vermont would probably have been defeated regardless of his opinions on anything, his pacifism and stand on China undoubtedly contributed to the unusually large size of his defeat. Perhaps more important was the upset of Charles Porter while the other two Oregon Democrats were winning by their usual margins or more. Both Porter and his opponent, Edwin Durno, attributed Porter's loss to his views on foreign policy; he supported the Fair Play for Cuba committee, at least until recently, as well as advocating Red China recognition. This leaves only Thomas Ashley, from Toledo, who has voted against "sense of the House" resolutions opposing Communist China's admission to the United Nations, claiming the House doesn't need to pass such resolutions year in, year out. Thus the voters have rejected the open advocates of recognition while electing a President whose foreign policy advisors are at best wobbly on the issue. (Picture Adlai Steven-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

son at the UN denouncing Communist China as an outlaw nation and the murderer of Tibet. It is inconceivable.)

It will be interesting to watch the fireworks in the House when and if Stevenson speaks on this issue, for the majority leader, John W. McCormack, is one of the nation's most outspoken opponents of Red China. If he does not bring up another "sense of the House" resolution before the next UN debate, it will be a sign that the administration is dropping the firm Truman-Eisenhower policy and is trying to prepare the public for the eventual recognition and UN admission of the Chinese Communists.

But these are just a few conservative gains, and while they may indicate a potential Republican issue for 1962, the Republicans will have redistricting and weak organizations going against them at the same time. In addition, 1962 offers little hope for Republican gains in the Senate; more Republicans than Democrats will be up for re-election. Senator Morse in Oregon and Senator Clark in Pennsylvania offer about the only chances for important Republican gains. Morse's likely opponent will be Governor Mark Hatfield, who has proclaimed himself a Modern Republican, so there is little comfort for conservatives there. A few smaller fry, such as Church in Idaho and Carroll in Colorado, will also be running, as well as some members of the Republican left, such at Javits, Kuchel and Wiley. But the over-all picture here is as gloomy as it is for the House. The Republicans have not yet begun to revive.

And the Republicans offer conservatives their only hope for recapturing political power. The conservative Democrats in the South and elsewhere are not a force in their party nationally, and there is simply not time to build a new individualist party; the exigencies of the international situation do not permit it. The Republicans are the only short-run possibility, and it is too dangerous for the individualists to put all their hopes in a long-run new party.

The picture is not entirely black, among the younger Republicans, individualism is becoming more and more popular, as it is on the college campuses. But there is likely to be a gap while these younger men gradually move into positions of leadership in the party and while the rebirth of individualism is diffused through the voting population. During that gap the conservatives and the Republicans will be in their greatest danger. It is always possible, though not very likely, that Kennedy might make a major mistake that would bring down the wrath of the voters on his head and sweep the Republicans into power. Or the Republicans might rejuvenate themselves during the next two or four years, possibly under the leadership of Senator Goldwater, who seems to have an ability to excite people that might be the touchstone for a rapid Republican-conservative comeback.

There are, however, other forces that would like to rejuvenate the Republican party under their own leadership; during the next four years, while Kennedy battles Judge Smith, the more important battle will be fought between Senator Goldwater and Governor Rockefeller, both as persons and as representatives of different political philosophies. While the Republicans in Congress are creating a conservative record for the party, Governor Rockefeller's natural strategy will be to ally himself with the Republican governors. In many ways, their situations are similar to those of Senator Taft and General Eisenhower in 1952, but complicated by the presence of Nixon. Moreover, all three men are young enough to plan not only for 1964 but also for 1968. If any of the three runs for President four years from now and loses, he will automatically be out of contention later.

It is this circumstance that puts the individualists in such a ticklish situation. Goldwater may offer a great opportunity to them, should he win the Presidential nomination in 1964 and go on to win the election. At the same time, unfortunately, he would also present the last such opportunity, for the Republican left might be willing to concede him the nomination in 1964 on the certainty that he would lose. And if he should lose, no matter by what margin, political conservatism would take a very, very long time to recover from his defeat.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

This is the first in a series of articles, by various authors, on past thinkers who have contributed to individualist philosophy. Future articles will deal with men such as Burke, Acton, Bastiat and Herbert Spencer.

Wilhelm von Humboldt

RALPH RAICO

WHEN Oswald Spengler in one of his minor books scornfully characterized German classical liberalism as, "a bit of the spirit of England on German soil," he was merely displaying the willful blindness of the school of militaristic-statist German historians, who refused to acknowledge as a true compatriot any thinker who did not form part of the "intellectual bodyguard of the House of Hohenzollern." Spengler had apparently forgotten that Germany had had its Enlightenment, and the ideals of freedom which were conceived and propagated in England, Scotland and France towards the end of the eighteenth century, had found an echo and a support in the works of writers such as Kant, Schiller and even the young Fichte. Although by 1899 William Graham Sumner could write that, "there is today scarcely an institution in Germany except the army," it is nevertheless true that there existed a native German tradition of distinguished, libertarian thought, which had, in the course of the nineteenth century, to some degree at least been translated into action. Of the thinkers who contributed to this tradition, Wilhelm von Humboldt was unquestionably one of the greatest.

Born in 1767, Humboldt was descended from a Junker family which had faithfully served the rulers of Prussia for generations — a fact which was later to cause surprise to some of those who heard young Humboldt in conversation passionately defend personal liberty. He was educated at Frankfurt-am-Oder, and later at Göttingen, at that time one of the centers of liberal ideas in Germany.

In the summer of 1789, Humboldt undertook a trip to Paris, in the company of his former tutor, Campe, who was a devotee of the *philosophes*, and now eager to see with his own eyes, "the funeral rites of French despotism." His pupil did not share his enthusiasm for the Revolution, however, for from what Humboldt had witnessed at Paris and from conversations with Friedrich Gentz (at that time a supporter of the French Revolution) there issued a brief article, "Ideas on the Constitutions of States, occasioned by the New French Constitution."[1]

This little essay, orginally intended as a letter to a friend, is noteworthy for a number of reasons. In the first place, Humboldt appears to have arrived at

Ralph Raico received his B.A. from City College of New York in 1959. He is presently studying under the Committee on Social Thought, University of Chicago.

[1] "Ideen über Staatsverfassung, durch die neue französische Constitution veranlasst," in Humboldt's *Gesammelte Schriften*, vol. i, (Berlin, 1903), pp. 77-85.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

some of the major conclusions of Burke, without at that time being familiar with the latter's work. He states, for instance, that "reason is capable to be sure of giving form to material already present, but it has no power to create new material . . . Constitutions cannot be grafted upon men as sprigs upon trees." For a new political order to be successful, it is necessary for "time and nature" to have prepared the ground. Since this has not been the case in France, historical analogy compels us to answer no to the question whether this new constitution will succeed.

In addition, this essay is interesting because it anticipates an idea which was central to the thesis of Humboldt's most important work on political theory, and which was never far from his mind whenever he deliberated on the nature of man — the notion that, "whatever is to flourish in a man must spring from within him, and not be given him from without."

Nevertheless, Humboldt does not, in this essay, display the hostility towards the French people which was characteristic of Burke. He realizes that if the French had given themselves over to ill-considered schemes for remoulding their society according to a preconceived plan, it was a reaction which might have been expected, given the provocations of the Old Regime. "Mankind had suffered at the hands of one extreme; it understandably sought its salvation at the other."

On his return to Berlin, Humboldt had been given a minor post at the law court. But the relative freedom of thought which had been enjoyed in Prussia under Frederick the Great, was at this time being replaced by persecutions of the press and religious intolerance and Humboldt did not find the atmosphere of public life congenial. Added to this, was the disinclination which he felt to interfere in the lives of others (a nicety of feeling almost grotesquely out of place in a "public servant"). Most important of all, perhaps, was the new conception which he was beginning to formulate of the legitimate functions of government, a conception which virtually compelled him to look on the states of his time as engines of injustice. In the spring of 1791, Humboldt resigned his position.

The genesis of his major work on political theory, and the one of most interest to individualists, is also to be found in discussions with a friend — Karl von Dalberg, who was a proponent of the "enlightened" state paternalism then prevalent in Germany. He pressed Humboldt for a written exposition of his views on the subject, and Humboldt responded, in 1792, by composing his classic, *The Sphere and Duties of Government.*[2]

This little book was later to have a good deal of influence. It was of importance in shaping some of John Stuart Mill's ideas in this field, and may even have provided the immediate occasion for his *On Liberty*. In France, Laboulaye, the late nineteenth century individualist, owed much to this work of Humboldt's, and in Germany it exercised an influence even over such a basically unsympathetic mind as von Treitschke's. But it is also a book which has an inherent value, because in it are set forth — in some cases, I believe, for the first time — some of the major arguments for freedom.

Humboldt begins his work by remarking that previous writers on political philosophy have concerned themselves almost exclusively with investigating the divisions of governmental power and what part the nation, or certain sectors of it, ought to have in the exercise of this power. These writers have neglected the more fundamental question, "to what end ought the whole apparatus of the state to aim, and what limits ought to be set to its activity?" It is this question that Humboldt intends to answer.

"The true end of man — not that which capricious inclination prescribes for him, but that which is prescribed by eternally immutable reason — is the highest and most harmonious cultivation of his faculties into one whole. For this cultivation, freedom is the first and indispensible condition." Humboldt thus begins by placing his argument within the framework of a particular conception of man's nature, but it ought to be noted that the

[2] It was under this title that Humboldt's book appeared in English, in 1854. The German title is, *Ideen zu einem Versuch, die Grenzen der Wirksamkeit des Staats zu bestimmen;* in Humboldt *op., cit.* vol. i, pp. 97-254.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

validity of his argument does not depend upon the correctness of his view of "the true end of man." Of primary importance are his ideas in regard to the mechanism of individual and social progress, and here even such a socially-minded utilitarian as John Stuart Mill could find instruction and inspiration.

For the full flourishing of the individual, Humboldt asserts, there is requisite, besides freedom, a "manifoldness of situations," which, while logically distinct from freedom, has always followed upon it. It is only when men are placed in a great variety of circumstances that those experiments in living can take place which expand the range of values with which the human race is familiar, and it is through expanding this range that increasingly better answers can be found to the question, "In exactly what ways are men to arrange their lives?"

A free nation would, according to Humboldt, be one in which "the continuing necessity of association with others would urgently impel each gradually to modify himself" in the light of his appreciation of the value of the life-patterns others have accepted. In such a society, "no power and no hand would be lost for the elevation and enjoyment of human existence." Each man, in applying his reason to his own life and circumstances, would contribute to the education of other men, and would, in turn, learn from their experience. This is Humboldt's view of the mechanism of human progress.

It should be clear, however, that this progressive refinement of the individual personality can only take place under a regime of freedom, since "what is not chosen by the individual himself, that in which he is only restricted and led, does not enter into his being. It remains foreign to him, and he does not really accomplish it with human energy, but with mechanical address." This is one of the central ideas of the book, and merits some discussion.

It is an idea which no one will dispute, when it is a question of scientific progress. No one expects worthwhile scientific thought to take place where the scientist is compelled or restricted in some important facet of his work. He must be free to develop his ideas, in accordance with the self-imposed standards of his profession, out of his own orginality. But scientific knowledge is only one type of knowledge; there are other types, some at least as socially useful. There is the knowledge which consists in skills and techniques of production, and the type which, as we have seen, is embedded in values and ways of life: besides the sort of knowledge which is acquired through abstract thought, there is the sort acquired through practical thought and through action. The argument for freedom in the elaboration of scientific knowledge, therefore, is simply a special instance of the argument for freedom in general.

Professor Michael Polanyi has described the benefits of "individualism in the cultivation of science":

> The pursuit of science can be organized . . . in no other manner than by granting complete independence to all mature scientists. They will then distribute themselves over the whole field of possible discoveries, each applying his own special ability to the task that appears most profitable to him. Thus as many trails as possible will be covered, and science will penetrate most rapidly in every direction towards that kind of hidden knowledge which is unsuspected by all but its discoverer, the kind of new knowledge on which the progress of science truly depends.[3]

Few will doubt that scientific progress would have been appallingly retarded if, for instance, Einstein had been compelled to obtain permission from a board in charge of "planning science" before he could undertake his researches (or if a government commission had been empowered to pass on Galileo's intended work!). But if men like Henry Ford had not been free to put their ideas into operation, industrial progress would have been no less stanched. We may freely concede that the abstract scientific thought of an Einstein is a loftier thing, representing a greater achievement of the human mind. But this has

[3] Michael Polanyi, *The Logic of Liberty*, (London, 1951), p. 89.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

no bearing on the argument.

We believe that individual scientists should be unhindered in the pursuit of their aims, because those who would be in charge of the central direction of scientific research, or those who had power to restrict scientists in essential ways, would not know as well as the scientists themselves — each of whom has an immediate knowledge of the relevant factors in his particular situation—which are the most promising lines to be explored. In addition, a self-chosen activity, or one which may be freely followed up in all of its ramifications, will summon forth energy which will not be available in cases where a task is imposed from without, or where the researcher meets up against countless frustrations in the pursuit of his goal — the free activity, in other words, will command greater incentive.

But both of these propositions are equally true of activities involving practical knowledge, or knowledge in action, of which techniques of production are an example. The socialist who believes in central direction of economic activity ought, consistently, to believe also in the central planning of science, and those who favor wide-spread government control of economic life, because the state "knows better," should, if they were consistent, favor a return to the system that shackled the scientific enterprise as well.

It was partly because force necessarily interferes with individual self-development and the proliferation of new ideas, by erecting a barrier between the individual's perception of a situation and the solution he thinks it best to attempt, that Humboldt wanted to limit the activities of the state as severely as possible. Another argument in favor of this conclusion is that a government wishing to supervise to even a modest degree such a complex phenomenon as society, simply cannot fit its regulations to the peculiarities of various concatenations of circumstances. But measures which ignore such peculiarities will tend to produce uniformity, and contract the "manifoldness of situations" which is the spur to all progress.

But what is the indispensible minimum of government activity? Humboldt finds that the one good which society cannot provide for itself is security against those who aggress against the person and property of others. His answer to the question which he posed at the beginning of his work, "what limits ought to be set to the activity of the state," is "that the provision of security, against both external enemies and internal dissensions must constitute the purpose of the state, and occupy the circle of its activity."

As for the services which it is commonly held must fall within the scope of government action, as, for instance, charity, Humboldt believes that they need not be provided by *political* institutions, but can safely be entrusted to *social* ones. "It is only requisite that freedom of association be given to individual parts of the nation or to the nation itself," in order for charitable ends to be satisfactorily fulfilled. In this, as, indeed, throughout his whole book, Humboldt shows himself to be a thoughtful but passionate believer in the efficacy of truly social forces, in the possibility of great social ends being achieved without any necessity for direction on the part of the state. Humboldt thus allies himself with the thinkers who rejected the state in order to affirm society.

Parts of Humboldt's book appeared in

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

two German periodicals in 1792, but difficulties with the Prussian censorship and a certain apparently innate lack of confidence in his own works, caused him to put off publication of the work until it could be revised. The day for revision never came, however, and it was only sixteen years after the author's death that *The Sphere and Duties of Government* was published in its entirety.

For ten years after the completion of this book, Humboldt devoted himself to traveling and private studies, principally in aesthetics and the classics, linguistics and comparative anthropology. From 1802 to 1808 he served as Prussian minister to Rome, a post which involved a minimum of official business, and which he accepted chiefly out of his love for the city. Humboldt's real "return to the state" occurs in 1809, when he became Director of the Section for Public Worship and Education, in the Ministry of Interior. In this capacity, he directed the reorganization of the Prussian public education system, and, in particular, founded the University of Berlin.

That so unquestionably sincere a man as Humboldt could have acted in such disharmony with the principles set forth in his only book on political philosophy (among them, that the state should have no connection with education), requires some explanation. The reason is to be sought in his patriotism, which had been aroused by the utter defeat suffered by Prussia at the hands of Napoleon. Humboldt wished to contribute to the regeneration of his country which was being undertaken by men such as Stein and Hardenberg, and the reform of the educational system fitted his abilities and inclinations.

This task completed, Humboldt served in various diplomatic posts for a number of years, including that of Prussian minister to the Congress of Vienna, and, after peace had been established, as a member of the Council of State. But the spirit which now predominated in Berlin, as well as throughout Europe, was the spirit of Metternich, who, always able accurately to identify the enemies of his system, had already in 1814 termed Humboldt a "Jacobin." Humboldt's opposition to the reactionary policies of his government gained for him as much ill-will at court as it did popularity among the people. He was hated and intrigued against by the reactionaries at court; they went so far as to open his mail, as if he had in actuality been a Jacobin. When, in 1819, Metternich induced Prussia to agree to the Karlsbad Decrees, which attempted to establish a rigid censorship for all of Germany, Humboldt termed the regulations "shameful, unnational and provoking to a great people," and demanded the impeachment of Bernstorff, the Prussian minister who had signed them.

It was clear that a man like Humboldt was an anomaly in a government which treacherously refused to fulfill its war-time promises of a constitution, and whose domestic policies were largely dictated by Metternich. In December, 1819, Humboldt was dismissed. He refused the pension offered him by the king.

The rest of his life he devoted to his studies, of which the researches into linguistics were the most important and gained for him the reputation of a pioneer in the field. He died in 1835.

If we ask what are the primary contributions of Humboldt to libertarian thought, we will find the answer in his ideas on the value of the free, self-sustaining activity of the individual, and of the importance of the unhindered collaboration — often unconscious — of the members of society. The first is a conception which is finding remarkable support and application in the work of the Client-centered, or Non-directive school of psychotherapists[4], while the second has been explored in the recent books of writers such as F. A. Hayek and Michael Polanyi[5]. That ideas which were set forth by Humboldt should be proving so relevant to contemporary research into man and society, is a sign of the clearly discernible trend towards individualism in present-day thought at the highest levels.

---

[4] On this very suggestive approach to psychotherapy, see Carl R. Rogers, *et. al., Client-Centered Therapy*, (New York, 1951).

[5] See, especially, F. A. Hayek, *The Counter-Revolution of Science*, (Glencoe, Ill., 1952), and *The Constitution of Liberty*, (Chicago, 1960), and Michael Polanyi, *op. cit.*

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Modern Education vs. Democracy

ROBERT SCHUETTINGER

"Observe that there is a certain flavor of totalitarianism about [progressive education]: it is just the form our totalitarianism would take — kindly, humane, fussy, bureaucratic, flat, insipid, like a minor civil servant's dream, without energy or power, hazard or enterprise, the standards set by people who cannot write English, who have no poetry or vision or daring, without the capacity to love or hate."—Professor A. L. Rowse, Oxford University.

IN THIS Year One of the New Frontier, there are few, if any,objective observers who will deny that whatever else the Deweyites did to America's schools, they did *not* turn them into centers of learning. It has, unfortunately become a commonplace that the sort of person who would commend the intellectual ability of the average education professor is precisely the sort who would have arisen, in another time, to praise the good intentions of Hitler or Stalin or, indeed, to defend the chastity of Messalina.

What the advocates of "modern" or "progressive" education **will** claim is that, while their students may not necessarily be able to read or write[1], they are all well-indoctrinated in certain "understandings and attitudes" which are far more vital to the educated man than mere literacy. That is, they have all been pumped full of the Standard Brand of "Democracy" . . . as approved by Teachers College, Columbia.

The fact of the matter is, however, that the educationists, as a profession, are doing more than any other organized group to destroy equality of opportunity in the United States today. Far from being apostles of democracy, they have, in reality, become its most effective enemies.

It is true, of course, that the educational bureaucrats who control most of our schools, talk and write a good deal about "our democratic way of life." Sometimes, it seems as though they talk about nothing else. They love to attend "workshops" where they can sit around in their shirtsleeves (what could be more democratic?) and devise "new and attractive" courses for the re-moulding of "our wonderful boys and girls"; courses with such grandiose titles as: "Eleventh and Twelfth Grade: Growth in Effective Living through Problem-Centered Experiences Directed Toward Achieving the Highest Possible Quality of Human Experience through Striving for Social, Political and Economic Democracy in Its Local, State and National Setting, and for Peace and Co-operation on the International Scene."[2]

Robert Schuettinger, a graduate of Queens College, studied history at Columbia University before coming to the Committee on Social Thought, University of Chicago.

[1] On the occasion of her appointment to the Educational Policies Commission of the NEA, Mrs. Rachel Royston Knutson, counselor at Sharples Junior High School, Seattle, made this contribution to educational thought: "Who's to say that everybody can read? Or write, or play the piano? Personally, I'm barely able to swim across a pool and I doubt if all the teaching in the world would make me a good swimmer." See *Council for Basic Education Bulletin*, September, 1959, p. 4. Mrs. Knutson's views are by no means unique among educationists.

[2] Douglas, Harl R., editor, *The High School Curriculum*, New York, 1956, p. 285.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

On the surface, I suppose it is difficult to believe that these naive people, whatever short-comings they may have, are not sincere advocates of democracy. Yet I am convinced that, knowingly or unknowingly, they are doing great harm to the cause of democracy; in this essay I want to demonstrate precisely how and why this has come about.

If the word democracy has any meaning in relation to education (outside of its strict political use) it must stand for equality of opportunity for all students regardless of their racial, reigious or economic background. I believe that it can be demonstrated that most educationists (though they themselves are probably not fully aware of the implications of their own ideas) are working to deny equality of opportunity to many of their students — on the basis of their racial, religious or economic origins.

The largest lobby in Washington, the National Education Association, has been spending its members' dues on a lavish scale for many years in order to persuade Congress to pass a federal-aid-to-education bill. Apparently, the NEA leaders do not realize (or do not care) that such federal action would discriminate against students who prefer to attend religious or other non-public schools. The parents of private and parochial school students, in addition to paying their own tuitions, as well as their share of their community's school taxes, will be forced to pay higher federal taxes in order to provide more expensive facilities (not necessarily better education) for those children who choose to attend public schools. None of this money would go to any private or parochial school — which is as it should be. The point is, however, that many parents will be deprived of funds that they might have used to improve the non-public school attended by their own children. The result will be that private school students will be pressured into enrolling in the state system if they wish to share in the extra facilities which will be available to the public school student.

This withering away of the private schools is, of course, the eventual goal of such educators as Dr. Conant, who regards private schools as "divisive" and would like to see all children forced to attend the same school system so that they might all have the same opportunity to learn the officially-approved meaning of democracy.

It is true that the parents of many (though by no means all) private school students are wealthy and will be able to contribute sufficient funds to keep their schools in operation. This does not apply, however, in the case of church-related schools, whose students will suffer most, since few of their parents are well-to-do. In addition to many Catholics, Jews and Protestants, who may no longer be able to give their children an education of their own choosing, many Negroes in the South will also be set back several steps.

Since no federal education program is likely to be legislated over the opposition of Southern congressmen, a good part of the funds appropriated will be spent in strengthening the system of segregated schools in the South, many of which were becoming economically unfeasible even before the Supreme Court decision. I need hardly add that few, if any, of the State Education Departments in the South would be willing to divide federal money equally between white and Negro schools[3]. In the light of this, no one, unless he believed in the kind of totalitarian "democracy" preached by the Fascists and Communists, would call such government enforced discrimination democratic.

Perhaps the most widespread and most dangerous form of discrimination, however, is that directed against students from culturally deprived or lower-income families. Dr. George D. Spache, head of the Reading Laboratory and Professor of Education at the University of Florida, recently expressed[4] a point of view on this subject which is shared by many leading educationists.

"Reading," according to Dr. Spache, "is as much a sociological process as it is a

[3] The federal government is already a "silent partner" in the perpetuation of unequal schooling in the South. Federal funds now provide about 15 per cent of the revenues for state budgets for college education in the Deep South. State legislatures divert nearly all this money to white schools. See Edward P. Morgan's column in *The New York Post*, January 21, 1961.

[4] *Education Digest*, November, 1960.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

psychological or personal one. Therefore, before we can expect to help the poor reader perform at what we consider a normal level, we must consider what is normal for his environmental setting. What part does reading play in the family's leisure time? What are the parental attitudes toward his reading? We should certainly attempt to improve the status symbols of breadth of reading, verbal fluency, reading tastes and interests. But we must recognize that these must be realistically related to the probable uses of reading for this child now and in the future in his environmental setting."

It would seem, then, that Dr. Spache is advocating a kind of educational and cultural determinism. He and others like him, who proclaim that they alone know what is best for the student, appear to be interested only in preserving the status quo. One report[5], which was received by most educationists as gospel truth, declared bluntly that 85% of our students are not capable of absorbing a genuine education and can only be given vocational training which will make them into "useful members of society." As Mortimer Smith remarked, those would-be "social-engineers" are saying in effect: "Bow, bow, ye lower middle casses, accept what is normal for your environmental setting—and continue to read comics and the tabloids."

It should not be supposed, moreover, that such anti-democratic attitudes are confined to a small minority of our educational philosophers. A widely used education text, *The High School Curriculum,* observes that "English teachers have suddenly discovered that many is the boy who says 'I ain't got no' because his parents say it, his friends say it and his community says it. Furthermore," say the educationists, *"these parents see no reason why they should change or why their sons should change."* (Italics mine)[6]. If I had not been informed to the contrary by so many experts, I would have thought (in my untutored simplicity) that it would be a rare parent indeed who did not want his children to have a better education and a better start in life that he. Abraham Lincoln's illiterate father could never have known about the findings of such scholars as Dr. Spache; else he would never have permitted his son to read books which were clearly "not normal for his enviornmental setting."

It would be a serious mistake to write off such nincompoopery as the harmless prancing of would-be scholars who will never quite be recognized as such by the academic profession. Incredible as it may sometimes seem it is these people who are firmly in control of the great majority of the public schools in the United States today. If the present trend continues, only those students whose parents can afford to send them to a private school will know that the sentence "A great heap of books are on the table" is incorrect[7]. The very men who are talking most about democracy in education are also laying it down as dogma all over the country that no one has a right to speak like a cultivated person who was not born to parents who were themselves fortunate enough to have received a good education. It will not be too difficult to predict what will happen to the bright student who is poor but who is also presumptious enough to think that he might be able to raise his station in life. He will probably apply to a good college; however, in the entrance examinations and interviews he will be competing with boys who may be less gifted than he but who do know not to say "ain't" when talking to a Dean. Under these circumstances, there is no need to ask what chance he will have. If he is lucky he may still be admitted to an inferior college. There he may be trained to perform some second-rate task under the supervision of a gentleman's son who speaks English

[5] Conant, James, *The American High School Today,* New York, 1958.

[6] Douglas, *op. cit.,* p. 392.

[7] The Iowa Department of Public Instruction lists, in a handbook for English, a number of examples of poor usage (such as *these* kind of letters are scarce, a great heap of books are on the table, etc.) and then states: "Teaching corrections for these . . . is a waste of time and a source of confusion to the students. . . . Only in formal literary writing and in formal speech are finer distinctions made." See *CBE Bulletin,* September, 1958, p. 6.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

instead of the vulgate and is, therefore, always called "Sir."

IT WOULD be interesting to know what motivates these educationists in their zeal for keeping their students on as low a level as possible. Laziness cannot be the answer since it surely requires far more effort to think up elaborate new reasons for **not** teaching reading and writing (to say nothing of history and science) than it would to simply respond to their students' natural desire to learn. If the prodigious energy which is diverted into making up gargantuan lists of the "aims and purposes of democratic education"[8] were devoted to teaching we would probably see a significant increase in the number of high school graduates who are able to fill out their driver's licenses without assistance.

I think that we may find a clue in Emile Faguet's perceptive book on the ills of democracy, *The Cult of Incompetence*. In his last chapter, M. Faguet asks himself why it was that the French public school teachers were so unanimous in taking a paternal attitude toward the lower economic classes. Despite their mediocre capacities, these teachers enjoyed considering themselves "Liberal intellectuals"; they eagerly aped the ideas of the latter-day *philosophes* and flitted from one fashionable brand of socialism to the next as they dutifully (and always self-righteously) espoused the "cause" of the workers. They affected a great contempt for the middle-class (from which most of them had sprung) and naturally held a bitter hatred for the upper classes, who possessed all the advantages and power that they thought should have been given to themselves. After the Revolution, of course, genuine merit would receive its just due!

Eric Hoffer in his analysis of fanaticism, *The True Believer*, points out that the "non-creative man of words" (the would-be intellectual who will never produce the great work that he secretly believes himself capable of writing) very often finds an outlet for his frustrations in joining a cause which promises to shape the world into his own image of righteousness. M. Faguet's explanation for the monolithic Liberalism of the public school teachers is similar to Mr. Hoffer's and, I think, is, in the main, correct. These teachers, he notes, were clearly an inferior lot: not able enough to direct a business and not scholarly enough to become professors, they were denied the recognition that their egos so deeply carved.

They gained a deep satisfaction, therefore, in championing the aspirations of the lower classes but, at the same time, they never let the workers forget that they, their natural superiors, were performing an act of *noblesse oblige* by watching over their interests. A bright workingman's son would not fit into the picture; he must be kept at his own level and not be allowed to challenge the jealously guarded preeminence of the teacher in his own classroom. Most public school teachers in the United States now come from the lowest percentiles of university graduates, usually ranking below agriculture students. It should not be too surprising that such people fear, above all else, being "shown up" by a student of superior intelligence. To avoid this, therefore, bright students must be kept at the level of the slow learner, and all, so far as is possible, must be exposed to the bare minimum of education.

There is no shortage of evidence to substantiate the fact that most of our public school teachers denigrate competition and the pursuit of excellence in the classroom. Their own sense of mediocracy is so great, in fact, that the lengths to which they will go to avoid any comparison with their colleagues can only be described as desperate. A typical example of this passion for ano-

[8] In one education text the desirable "behavioral outcomes" of an ideal high school education are listed in a monumental classification extending for one hundred and twenty pages; the list is a prize example of what Stephen Leacock called "oceans of piffle." Outcome No. 1.122a is "writes and speaks with sufficient clarity and in good enough form to communicate with others." No. 1.241g is "helps when necessary to eliminate insects and vermin which carry germs." The ideal American student "wears (if a girl) with growing self-assurance, appropriate foundation garments and clothing properly styled for the maturing figure." (1.133i). See Will French and Associates, *Behavioral Goals of General Education in High School*, New York 1957.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

nymity occurred recently in Racine, Wisconsin, where a group of 577 public school teachers rejected a proposed merit pay plan by a vote of 466 to 111. Instead, they adopted a plan whereby all teachers with the same length of service in a classification received the same pay regardless of individual ability.

Is it any wonder that such people are unlikely to encourage a bright but poor boy to improve himself and his family? Their watchword is "normality"; they heave a sigh of relief whenever they see it. The write "works and plays well with others" and reflect with satisfaction that one more American boy can be counted on never to do anything original.

I do not think it possible to exaggerate the dangers to our society emanating from our teachers' colleges and the NEA. I hope I have made it clear that if their policies are not checked the result will be the creation of what Disraeli called "two nations": one a nation of aristocrats forever set apart from the other, a nation of the poor, burdened by so many class distinctions, including language, that they will have little hope of ever changing their status for the better. No matter what their reasons may be, the inheritors of the mantle of Dewey are, in fact, building a static society which will end by enthroning the worst kind of reacton.

A SUMMER SCHOOL FOR LIBERTARIAN-CONSERVATIVE COLLEGE STUDENTS . . .

. . . will be held in New York City during the months of July and August. Lectures by noted speakers and discussion courses and seminars in economics, political theory, current affairs, history and philosophy will be offered.

The summer school will be conducted in up to eight sections of one week each. Tuition will be approximately $10 a week.

Students may attend any combination of sections (from one to eight weeks; each week will be different). If there is sufficient interest from employed students, additional courses may be offered in the evenings at reduced tuition.

Prospective students should write to Education Department, NEW INDIVIDUALIST REVIEW, P.O. Box 4309, Chicago 80, Illinois, stating their background, dates they would want to attend and courses they would like to see offered. Although the summer school will be primarily for college students a few high school students may be considered.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Hayek's Concept of Freedom: A Critique

RONALD HAMOWY

F. A. HAYEK, in his latest book, *The Constitution of Liberty* (University of Chicago Press, Chicago, 1960), attempts a thorough exposition of the theoretical and historical foundations of individual liberty. His main thesis is that freedom may be defined as the absence of coercion: it thus becomes clear that, in order fully to comprehend what he feels to be the basis of personal freedom in society, we must turn to his definition of coercion.

Professor Hayek states: "Coercion occurs when one man's actions are made to serve another man's will, not for his own but for the other's purpose." (p. 133.) But he goes on to make explicit that such coercion can occur only when the possibility of alternate actions is open to the coerced. "Coercion implies . . . that I still choose but that my mind is made someone else's tool, because the alternatives before me have been so manipulated that the conduct that the coercer wants me to choose becomes for me the least painful one." (p. 133.)

Let us examine this concept more thoroughly. Firstly, the absence of coercion, in terms of the above statement, would seem to be the following: Freedom (or the absence of coercion) obtains when the possible alternative actions before me are not such that, through the manipulation of such alternatives by another actor, the least painful choice for me is that which is the most beneficial for him. Or, more simply, freedom obtains when no one else manipulates my environment in such a way that my action (or actions) benefits him. It shall be my purpose, throughout the remainder of this article, to indicate that such a concept of freedom is fundamentally incompatible with the one which forms the basis of a consistent libertarianism.

Now, the first difficulty arising out of such a definition is that of determining just what particular actions *are* coercive. Professor Hayek attempts to distinguish coercive acts from "the conditions or terms on which our fellow men are willing to render us specific services or benefits," in the following way: "So long as the services of a particular person are not crucial to my existence or the preservation of what I most value, the conditions he exacts for rendering these services cannot properly be called 'coercion'." But it would seem that this lends little if any clarity to the distinction between coercive and non-coercive acts, since we are still left to define and make precise Hayek's qualifications for characterizing an action as a coercive one; namely, being "crucial to . . . existence" and "preserving what one most values."

Let us take an example which Hayek himself uses. Suppose that the condition for my being invited to a certain party, which I had previously indicated I wanted very much to attend, were my wearing formal attire. Could it be said that my host, by demanding such an action on my part, was acting coercively towards me? It would appear, and so Hayek concludes, that the answer is

---

Ronald Hamowy did his undergraduate studies at City College of New York and Cornell University. He is at present a William Volker Fellow of the Committee on Social Thought, University of Chicago.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

clearly "no." For, although it is true that my environment is being deliberately manipulated in such a way that my "least painful choice" is that which benefits the manipulator, this situation does not satisfy the terms of either of the above qualifications: *i.e.*, neither "being crucial to my existence" nor "preserving what I most value." Yet, perhaps we are drawing our drawing our conclusion too hastily. It might be that I am a very social-conscious person, and not being invited to this party would greatly endanger my social standing. Further, my tuxedo is at the cleaners and will not be ready for several days. I do not have time to order a new one, and I am assured by my tailors that the fitting and altering involved will take at least a week and the party is this Saturday. Under these conditions, could it be said that my host's action in demanding my wearing formal attire as the price of access to his home *is*, in fact, a coercive one, since it clearly threatens the preservation of one of the things I most value, my social prestige?

The above situation might be altered slightly to present what might more clearly appear to be a coercive act, in terms of Hayek's definition. Suppose the price demanded by my host, in return for inviting me to his home, were a commitment from me that I wash all the silver and china used at the party. On the face of it this would seem to be nothing more than a contract relationship voluntarily entered into by the two parties to the agreement. But suppose all the other conditions concerning my attachment to social prestige still held. It then becomes the case, within the framework of Professor Hayek's terms, that such a contract is of a coercive nature.

On p. 136, he presents a case of "true coercion" of this same type. "A monopolist could exercise true coercion . . . if he were . . . the owner of a spring in an oasis. Let us say that other persons settled there on the presumption that water would always be available at a reasonable price and then found . . . that they had no choice but to do whatever the owner of the spring demanded of them if they were to survive: here would be a clear case of coercion." We assume that Hayek means that a contract entered into by the owner of the spring and the purchaser of water which allowed for renumeration to the spring-owner of any but a "reasonable price" would be of a coercive nature. But here we are faced with a difficult problem; namely, what constitutes "a reasonable price." By "reasonable," Professor Hayek might mean "competitive." But how is it possible to determine what the competitive price is in the absence of competition? Economics cannot attribute a cardinal magnitude to any price outside of the framework of the market. What, then, can we assume to be a "reasonable" price, or, more to the point, at what price does the contract alter its nature and become a coercive one? Is it at one dollar a gallon, ten dollars a gallon, one thousand dollars a gallon? What if the owner of the spring demands nothing more than the friendship of the settlers. Is such a price coercive? By what principle can we decide when the agreement is a simple contractual one, and when it is not?

But we must face yet a further difficulty. Is the owner acting coercively if he refuses to sell his water *at any price?* Let us suppose that he looks upon his spring as sacred to his gods and to offer up its holy water a gross sacrilege. Here is a situation which would not fall under Hayek's definition of coercion, since the owner of the spring forces *no* action on the settlers. Yet, it would appear that, within Hayek's own framework, this is a far worse situation, since the only "choice" left open to the settlers now is dying of thirst.

LET US NOW turn to Professor Hayek's use of the term "coercion" within the context of state activity. Here, just as many difficulties seem to arise. On p. 153, he states that "the conception of freedom under the law that is the chief concern of this book rests on the contention that when we obey laws, in the sense of general abstract rules laid down irrespective of their application to us, we are not subject to another man's will and are therefore free." The inference is, of course, that these abstract rules,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

when applied impartially without regard to person are non-coercive, despite any qualification as to their content. And Hayek himself says this: though "taxation and the various compulsory services, especially conscription . . . are not supposed to be avoidable, they are at least predictable and are enforced irrespective of how the individual would otherwise employ his energies: *this deprives them largely of the evil nature of coercion.*" (Italics mine).

Now, in a book dedicated to an investigation of the theoretical and historical groundwork of freedom, particularly within the context of a state structure, it is of the utmost importance that the boundary between coercion and non-coercion, as applied to the actions of the state, be clearly drawn. For how else are we to know when the state is exercising its legitimate functions or coercing its citizens? Hayek differentiates these two categories of actions by applying the concept of the Rule of Law. "Law," Professor Hayek asserts on p. 149, "in its ideal form might be described as a 'once-and-for-all' command that is directed to unknown people and that is abstracted from all particular circumstances of time and place and refers only to such conditions as may occur anywhere and at any time." We see, then, that the Rule of Law is the governance of society under a set of abstract rules which in no way discriminate among the citizenry and, hence, are equally applicable to all. An instance of such a law would be taxation (although *not* progressive taxation*) which applies equally to all those falling under the jurisdiction of the state. Having thus been robbed of either privilege or discrimination as regards "the classification of persons which the law must employ," such state action does not fall under the scope of coercion.

But we are forced to question the validity of this conclusion which rests on what is, in fact, a mistaken distinction between legitimate and illegitimate state actions. It would, for example, be perfectly consistent with the Rule of Law, as Professor Hayek presents it, to allow for the passage of legislation prescribing the enslavement of each male citizen for a period of two years, such enslavement to fall during the period of his prime (say, between the ages of 18 and 36). This is, in fact, the case with conscription, which Hayek explicitly states is consonant with a free society. Such a conclusion differs radically from that once made by Mr. William F. Buckley, Jr., that "conscription is the most naked form which tyranny assumes in our society today," and appears to be inconsistent with Hayek's own intention of laying down those principles which allow for a minimum of coercion in society.

Further, it would be just as consistent, within a free society governed by the Rule of Law, to interfere with many of our most basic freedoms — and such freedoms include economic ones as well**— provided such laws are applicable to all without distinction.

It is one of Hayek's purposes to build up a theoretical framework from which the necessity of private property can be deduced, a conclusion arrived at from an investigation of the nature of power and freedom in society. It would clearly seem to be subverting the very groundwork of such a principle if the theoretical system upon which it rests allows for the concentration and legitimate use of such powers in the hands of the state which can result in a system the nature of which aims at the overthrow of personal liberty. Hayek says: "the recognition of private property is . . . an essential condition for the prevention of coercion." Yet he succeeds in placing within the power of the state the very means of interfering with that right under the

*Cf. Hayek's discussion of progressive taxation on p. 314.

** We are here dealing only with political, and not economic arguments. It could easily be shown that restrictions on trade and manufacture were highly detrimental to society in that they would necessarily lower the standard of living and the comfort and well-being of the citizens. But such arguments would be economic ones, and only economic ones, since we would have no recourse to political discussion except outside the terms of Professor Hayek's position. Once the Rule of Law is taken as a basis of legitimate state action, and all laws equally applicable to all fall under this rubric, we can no longer bring to bear a discussion of the state's interference with personal freedom.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

guise of acting consistently within the borders of its legitimate domain and consonant with the Rule of Law. Here, then, lies the main critique of Hayek's proposed framework: that it offers a rationale for what clearly are coercive acts of the state, e.g., conscription, interference in the economy (under the principle that it is attempting to minimize personal coercion) and alteration by fiat of the social structure of personal relationships which have developed spontaneously and undirected over the course of centuries.

Given that such situations as the voluntary contractualization of parties to a mutually beneficial agreement (e.g., the example cited above concerning the spring in the desert) can be classed under the heading of "coercion" within Hayek's system, and that what appear to be clear cases of coercive governmental action, such as conscription, are deemed legitimate and in accordance with the Rule of Law, it would seem that Hayek's position on the nature of coercion and freedom must, as it stands, be rejected.

NEW BOOKS AND ARTICLES

THE FOLLOWING IS A SELECT LIST OF BOOKS AND ARTICLES WHICH, IN THE OPINION OF THE EDITORS, MAY BE OF INTEREST TO OUR READERS.

F. A. Hayek, *The Constitution of Liberty,* (University of Chicago Press, Chicago, Illinois, 1960), 570 pp. $7.50.

Henry Hazlitt, editor, *The Critics of Keynesian Economics,* (Van Nostrand, Princeton, New Jersey, 1960), 427 pp. $7.00.

James D. Koerner, editor, *The Case for Basic Education,* (Atlantic-Little, Brown, Boston, Mass., 1960). $4.00.

Frank S. Meyer, *The Moulding of Communists,* (Harcourt, Brace, New York, 1961), 214 pp. $5.00.

Ludwig von Mises, *Epistemological Problems of Economics,* (Van Nostrand, Princeton, New Yersey, 1960), 239 pp. $5.50.

Felix Morley, *Freedom and Federalism,* (Henry Regnery, Chicago, Illinois, 1960). $5.00.

Albert Jay Nock, *Jefferson,* (Hill and Wang, New York, 1960), paper, $1.45.

Wilhelm Roepke, *A Humane Economy,* (Henry Regnery, Chicago, Illinois, 1960), 312 pp. $5.00.

Schoeck and Wiggins, editors, *Scientism and Values,* (Van Nostrand, Princeton, New Jersey, 1960), 270 pp. $6.50.

Louise Sommers, editor, *Essays in European Economic Thought,* (Van Nostrand, Princeton, New Jersey, 1960), 229 pp. $6.00.

P. T. Bauer, "Economic Development of Under-developed Countries," *Bulletin of the Atomic Scientists,* Vol. XVI, No. 8, (October, 1960).

Yale Brozen, "The New Competition—International Markets: How Should We Adapt?" *The Journal of Business,* Vol. XXXIII, No. 4, (October, 1960).

Hans F. Sennholz, "On Private Property and Economic Power," *The Freeman,* January, 1961. (Free copy available from the publisher, Foundation for Economic Education, Irvington-on-Hudson, New York.)

Richard Weaver, "Lord Acton: Historian as Thinker," *Modern Age,* (Winter, 1960-61).

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

In Future Issues....

NEW INDIVIDUALIST REVIEW will feature articles by young libertarian and conservative writers as well as by such scholars as WILHELM ROEPKE, RICHARD WEAVER, and MURRAY N. ROTHBARD.

To keep up with today's ferment of individualist ideas—subscribe to NEW INDIVIDUALIST REVIEW today.

ONE YEAR'S SUBSCRIPTION — $2.00, STUDENTS — $1.00

WE SHALL BE HAPPY TO SEND A FREE COPY OF THIS ISSUE TO ANY FIVE PERSONS WHOSE NAMES ARE ATTACHED TO YOUR SUBSCRIPTION.

NEW INDIVIDUALIST REVIEW
P.O. BOX 4309
CHICAGO 80, ILL.

☐ Please enter my subscription for one year at $2.00, (Students, $1.00)

☐ Please enter my subscription for one year. I also enclose a contribution of $.....

NAME .....

ADDRESS .....

IF STUDENT: SCHOOL ..... YEAR OF GRAD. .....

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Eugen von Boehm-Bawerk:

CAPITAL AND INTEREST (in three volumes), $25 the set

I History and Critique of Interest Theories, 512 pages

II Positive Theory of Capital, 480 pages

III Further Essays on Capital and Interest, 256 pages

Paperback Extracts from Volumes I and II:

The Exploitation Theory, 97 pages, $1.50

Value and Price, 160 pages, $2.00

Ludwig von Mises:

PLANNING FOR FREEDOM, 174 pages, paperback, $1.50
(A collection of essays and addresses)

LIBERTARIAN PRESS

366 East 166th Street, South Holland, Illinois

Wherever people are still free — in 109 countries — there are customers of the Bookmailer, Inc., the complete bookstore by mail representing all U.S. publishers. Any U.S. published book mailed postage prepaid to any address in the world at the retail price.

THE BOOKMAILER, INC.
Box 101
Murray Hill Station
New York 16, New York

Write for free Freedom Library brochure.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

THE CONSTITUTION OF LIBERTY

by F. A. Hayek

The author has set himself the task of defining a positive creed through which the western world can effectively oppose the spread of totalitarian ideas — and does so, logically, persuasively, and thoroughly. It is the first modern attempt to restate the principles by which we can distinguish such measures of government which must be judged by their expediency, and those which must be excluded if freedom is to be preserved; it provides, in addition, a complete history of the institutions of freedom.

$7.50

Through your bookseller
UNIVERSITY OF Chicago PRESS 5750 Ellis Avenue, Chicago 37, Illinois
IN CANADA: *The University of Toronto Press, Toronto 5, Ontario*

NEW GATEWAY PAPERBACKS

THE CONSERVATIVE MIND — by Russell Kirk

The author describes the spirit of conservatism, turning his attention to three broad fields — political philosophy, religious thought and imaginative literature. This book, which the *New York Times* called "brilliant and even eloquent," gave impetus to the present conservative revival when it first appeared in 1954. **New, revised edition, $2.45**

PORTRAITS FROM LIFE — by Ford Madox Ford

Memories and criticisms of Henry James, Joseph Conrad, Thomas Hardy, H. G. Wells, Stephen Crane, D. H. Lawrence, John Galsworthy, Theodore Dreiser and others. **$1.95**

THE THOUGHT AND ART OF ALBERT CAMUS by Thomas Hanna..$1.25
THE EXISTENTIALISTS by James D. Collins $1.45
THREE REVOLUTIONS by Friedrich Gentz and Stephan Possony....$ .95
LITERATURE AND THE AMERICAN COLLEGE by Irving Babbitt..$1.25

AVAILABLE AT YOUR BOOKSTORE

HENRY REGNERY CO. 14 E. JACKSON BLVD. CHICAGO 4, ILLINOIS

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED